



Testimony of Christopher Phelps, Environment Connecticut State Director  
Before the Connecticut General Assembly Energy & Technology Committee  
March 7, 2013

- Governor's Bill 6360 AAC Implementation of Connecticut's Comprehensive Energy Strategy
- Opposing HB 6531 AA Preserving And Retaining The Environmental Benefits Of In-State Resources Recovery Facilities
- Opposing HB 6532 AAC Certification of Class I And Class II Renewable Energy Sources And Class III Sources, Renewable Energy Credits And Alternative Compliance Payments
- Supporting HB 6533 AAC Hydraulic Fracturing
- HB 6535 AA Redefining Class I Renewable Energy Sources

Senator Duff, Representative Reed, and members of the committee: My name is Chris Phelps and I am State Director of Environment Connecticut. Our organization is a nonprofit member-based environmental advocacy organization working to protect Connecticut's air, water, and natural landscape. Thank you for the opportunity to offer this testimony on HB 6360, HB 6531, HB 6532, HB 6533, and HB 6535.

## **HB 6360**

### *Energy Efficiency*

This bill implements portions of the recently released CT Comprehensive Energy Strategy (CES). We strongly support measures contained in the bill that move towards full funding of all cost effective energy efficiency measures benefiting energy consumers in Connecticut. Maximizing all practical energy efficiency investments is the best way to cut energy costs for families and businesses. Energy not consumed due to efficiency measures also directly benefits our state's environment by cutting pollution, including carbon pollution, emitted by power plants. It is a "win-win" policy for our economy and our environment.

One important energy efficiency policy that is not addressed in this legislation is energy efficiency for home heating oil customers. This is a critical policy that we strongly urge the committee to pursue. Doing so would move Connecticut's energy efficiency policies towards a true "all fuels" approach which would maximize the economic and environmental benefits to our state. We support establishment of a small fee on heating oil sales to end customers, just as currently exists for electricity and gas customers, the revenue from which would be used to ensure equitable expansion of energy efficiency programs to all homeowners and businesses regardless of what fuels they use for electricity, heating, or cooling.

### *Virtual Net Metering*

We also support the provisions of section 5 of this bill improving and expanding the opportunities for use of "virtual net metering" by some electric customers. This policy can provide significant opportunities for such customers to install distributed renewable energy systems of greater generating

capacity, and serving more individual facilities, than would otherwise be possible. This in turn will allow those customers to reduce their electric bills, cut demand on the electric grid, and help the state meet its renewable energy goals and cut our dependence on dangerous and polluting sources of electric generation.

We also urge the committee to consider two additional measures to maximize the environmental and economic benefits of virtual net metering. First, we believe the artificial cap on the amount of virtual net metering projects approved, found at line 529 of the bill, should be reconsidered. A virtual net metering policy can provide such significant benefits to electric consumers that we believe it should not be limited to an artificially small universe of customers. Second, we urge the committee to consider expanding eligibility to participate in virtual net metering to all classes of electric customers, not just municipal, state, or agricultural ratepayers. This would, for example, allow residential and business ratepayers whose property is otherwise unsuitable for installation of solar or other renewable technologies an opportunity to benefit from installation of renewable energy systems serving their community.

### *Natural Gas*

Although this bill contains minimal provisions relating to use of, or expanded access to, natural gas in Connecticut. The expanded reliance on this fossil fuel is a significant component of the CES. When considering policies related to the expansion of gas infrastructure and use, we urge the committee to carefully consider all potential impacts. For example, although combustion of natural gas produces less carbon pollution than combustion of coal or oil, that environmental benefit can be negated if measures are not enforced to limit “fugitive emissions” of methane in the process of drilling and transportation of natural gas. This is because methane’s impact on global warming is 20 times greater than carbon dioxides. Therefore, if even as little as 2.5% of natural gas produced and transported to end users in Connecticut escapes into the atmosphere, the result could be an *increase* in the net emissions of greenhouse gasses. In short, without rigorous, effective, and well-enforced regulation limiting fugitive emissions at all stages of natural gas production and delivery, expanded use of natural gas could undermine Connecticut’s ability to; for example, meet the requirements to reduce total global warming pollution emissions contained in 2008’s Global Warming Solutions Act.

### **HB 6531**

Environment Connecticut ***strongly opposes*** HB 6531. This legislation would amend Connecticut’s Renewable (electricity) Portfolio Standard, or “RPS,” to create a significant subsidy for expanded trash incineration. Trash incineration is not a sound energy policy. Burning trash for energy generation is not economical and is highly polluting. As a question of public policy, trash incineration is more appropriately considered as a waste management issue. Connecticut has an extremely high reliance on trash incineration to dispose of its solid waste. A far better approach to managing that waste stream is to increase source reduction and recycling which could lead to a reduction in trash incineration that would reduce the pollution incinerators emit in our state. Finally, we wish to call the committee’s attention to section 2 (h) of the bill. This would create a *guaranteed minimum price* paid to trash incinerators for the electricity they generate that is *greater* than the *maximum* price proposed to be paid to renewable electricity generators such as wind and solar in HB 6532. Perversely, the combination of these two bills would effectively establish as a matter of policy in the state of Connecticut, a prioritization of expanded polluting trash incineration over wind, solar, and other renewable energy sources. (Note: we oppose the referenced provision of HB 6532.) We urge the committee to reject HB 6531 and any expansion of trash incineration in Connecticut.

## HB 6532

Environment Connecticut **opposes** this bill. In its current form, it would significantly disrupt and undermine the effectiveness of Connecticut's Renewable Portfolio Standard, and in particular the ability of the renewable electricity standard (Class I of the RPS) to achieve its intended policy goal of supporting steady, gradual growth of new renewable electric generation facilities serving our electric grid. As noted in our comments opposing HB 6531 above, this bill would reduce the "alternative compliance payment" in the RPS statute. The committee should be aware that this step runs directly counter to the ACP policies in effect in our neighboring state's renewable electricity standards. Indeed, Connecticut's existing fixed ACP is more conservative than many other state's ACP's which are indexed to, for example, the rate of inflation.

The RPS, and in particular the Class I renewable electricity standard, are the cornerstone of our state's public policy supporting a gradual and steady shift away from unsustainable, dangerous, polluting electric generation sources such as nuclear, coal, oil, and natural gas and towards clean, safe, and renewable sources such as wind and solar power. This policy, in conjunction with the renewable electricity standards in states across the country, is vital to decreasing our dependence on fossil fuels and cutting carbon pollution. HB 6532 would roll back Connecticut's commitment to a clean energy future. We urge the committee to reject this bill.

## HB 6535

Environment Connecticut has concerns about this bill as currently drafted. As mentioned previously, the Class I tier of Connecticut's RPS is our state's renewable electricity standard, the purpose of which is to gradually increase the proportion of our state's electric consumption which is provided by clean, renewable electric generation sources such as wind and solar power. While we support the inclusion of anaerobic digestion in the definition of eligible electric generation sources within Class I, the apparent addition of "thermal" energy sources that are not electric generation sources is contrary to the very purpose of the RPS and the Class I tier in particular. While there may be valid reasons why, as a matter of public policy, that Connecticut should support expanded use of such energy technologies, attempting to provide that support via their inclusion in the RPS is not a practical or effective approach. We are interested in working with the committee and proponents of this legislation to identify and support appropriate policy approaches to achieving support for these technologies where appropriate.

Concerning the RPS more broadly, Environment Connecticut urges the committee to consider expanding the RPS beyond its current 2020 sunset date. Specifically, we recommend consideration of a target requiring that a minimum of 30% of Connecticut's electricity be provided by Class I sources by the year 2030. This would require just a 1% annual increase between 2020 and 2030. In combination with this expansion, we recommend refining the eligible Class I technologies to exclude generation sources that utilize fossil fuels to ensure that the RPS achieves the policy goal of incentivizing new clean, renewable electric generation.

## HB 6533

Environment Connecticut **Supports** this legislation. HB 6533 would prohibit the processing or disposal in Connecticut of the highly toxic wastes produced by hydraulic fracturing ("fracking"). The use of fracking in gas drilling has produced a boom in the industry across the country in recent years. This has, in turn, brought a staggering array of threats to the environment and public health for residents of communities impacted by fracking and the toxic wastes it produces. In these communities, residents are

suffering from drinking water contaminated with deadly chemicals, air pollution, and rural landscapes that have been transformed into industrial zones.

Our colleagues in Pennsylvania and other states are currently on the frontlines of the fracking debate. Examples of the harm caused by fracking waste, which is laced with a toxic soup including benzene, heavy metals, and even radioactive material, abound in these states. For example, in 2009, drilling operators disposed of fracking wastewater at sewage treatment plants that discharge into the Monongahela River. Shortly thereafter, 325,000 people were advised by the state not to use their tap water for more than a week. I urge the committee to visit the website of our sister organization, PennEnvironment, to view testimonial videos by Pennsylvania families harmed by the environmental damage caused by that state's fracking boom.

(<http://pennenvironment.org/page/pae/pennenvironments-marcellus-shale-stories>)

Why are we debating the question of whether to allow processing and disposal in Connecticut of fracking wastes generated in other states? It is because the fracking industry produces staggeringly large quantities of toxic waste. Over a 3 year period, the industry generated over 1.3 *billion* gallons of toxic wastewater. To allow these out-of-state polluters to dispose of their wastes in Connecticut would threaten our rivers, streams, and groundwater with contamination by a toxic soup of deadly substances. We strongly urge the committee to approve HB 6533 to protect our state's environment and public health from the effects of fracking toxic waste.

In addition, because of the serious environmental and public health damage occurring in communities across the country where hydraulic fracturing in oil and gas extraction is occurring, we urge the committee to amend HB 6533 to include a ban on the use of fracking for oil and gas extraction in Connecticut. Although fracking is not currently occurring in Connecticut, the recent U.S. Geological Survey identification of the possibility of shale gas existing in areas under the Connecticut River Valley in our state and in Massachusetts, raises the potential for this to occur in the future. By banning fracking in Connecticut, the legislature can establish a proactive, protective policy that Connecticut will not allow fracking in our communities unless and until such time as it can be done in a safe and environmentally responsible manner.

Thank you again for the opportunity to offer this testimony.

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